

AUDIT COMMITTEE REPORT

Subject: Strategic Risk Register	Purpose: For Approval <input type="checkbox"/> For Discussion <input checked="" type="checkbox"/> For Information <input type="checkbox"/>	
Prepared by: Peter D Smith, Vice Principal – Finance and Resources	Date: 12 September 2017	
Purpose: To discuss the College's Strategic Risk Register.		
Linked to Strategic Goal 5: Build Sustainability.		
Executive Summary: <p>The College's Strategic Risk Register (attached) was considered by the Senior Leadership Team (SLT) on 11 September 2017.</p> <p>SLT made the following changes to the Risk Register: -</p> <ul style="list-style-type: none"> • Added a new Risk 2g, explicitly separating the impact of national bargaining on staff motivation from Risk 2b. • Risk 2b – reduce the likelihood and impact from 4 and 4 to 2 and 2 respectively, recognising that the effects of national bargaining are now explicit in Risk 2g. • Risk 4a – further narrative added on implementation of Flexible Workforce Development Fund. • Risk 5f – further narrative added on Scottish Government's rejection of recent SFC funding claims. 		
Recommendation: Committee discuss the Strategic Risk Register.		
Previous Committee Approvals: n/a		
For publication <input checked="" type="checkbox"/>	For publication with redactions <input type="checkbox"/>	Not for publication <input type="checkbox"/>

BORDERS COLLEGE STRATEGIC RISK REGISTER														Approved by: SLT		
Strategic Risk Appetite - MODERATE														Date: 11/09/2017		
Ref	Objectives and Risks	Risk Owner	Original Likelihood (1 - 5)	Original Impact (1 - 5)	Original Rating (max =25)	Current Controls	Current Likelihood (1 - 5)	Current Impact (1 - 5)	Current Rating (max =25)	Target Likelihood (1 - 5)	Target Impact (1 - 5)	Target Total (max =25)	Above/ On Target	Further Actions	Action Owner	Planned Action Completion Date
1	Respond to the needs of our region - Risk Appetite - OPEN															
1a	If the SFC does not fund growth in the Scottish Borders, THEN the College will not be able to create new provision to meet demand.	Principal	4	4	16	Outcome agreement, engagement with SFC, development of business cases to support growth	4	3	12	3	2	6	Above Target	TREAT - Continue to explore alternative funding streams to respond to demand. Board Chair and SMT continue to raise the profile of the college with regional stakeholders who have influence with decision makers. Continue to seek efficiency savings in order to invest in new provision.	SMT	Continuous
1b		Principal	3	4	12	Engagement with Industry groups and other employers, local authority and schools, community planning partners, universities	2	3	6	3	2	6	On Target	TREAT - Build on good reputation of the college to foster genuine partnerships and solutions to regional challenges. Continue to push positive PR re our successes.	SMT	Continuous
1c		Principal	2	3	6	Maintaining awareness of emerging issues with SSSA, active engagement with local authority by Principal / Chair	2	3	6	2	2	4	Above Target	TOLERATE - Co-ordinate approach with Dumfries & Galloway college	Principal/Board Chair	Continuous
1d		Principal	4	5	20	Engagement with SFC, Outcome Agreement Process, curriculum and business planning	3	4	12	3	2	6	Above Target	TREAT - Continue to explore alternative funding streams to respond to demand. Board Chair and SMT continue to raise the profile of the college with regional stakeholders who have influence with decision makers. Continue to seek efficiency savings in order to invest in new provision.	SMT	Continuous
1e		Principal	4	4	16	Outcome agreement, engagement with SFC, engagement with CPP and industry	3	2	6	2	2	4	Above Target	TOLERATE - Build on good reputation of the college to foster genuine partnerships and solutions to regional challenges. Continue to push positive PR re our successes.	SMT	Continuous
1f		Principal	3	4	12	Engagement with CPP, industry, other stakeholders	2	2	4	2	2	4	On Target	TOLERATE - No further action		
1g	If regional schools underperform, THEN learner outcomes may be adversely affected.	Principal	3	4	12	Engagement with local authority and schools to improve understanding of College opportunities and requirements, curriculum design	3	3	9	3	2	6	Above Target	TREAT - Consider collaborative partnerships and alternative delivery models to engage learners who do not meet baseline qualifications.	VP Curriculum	30/06/2017
1h		VP Curriculum	5	4	20	Outcome agreement, engagement with SFC, curriculum and business planning	5	3	15	5	2	10	Above Target	TREAT - Continue to explore alternative funding streams to respond to demand. Board Chair and SMT continue to raise the profile of the college with regional stakeholders who have influence with decision makers. Continue to seek efficiency savings in order to invest in new provision.	SMT	Continuous
1i	If the College is not recognised in City Deal, THEN funding could be diverted elsewhere	Principal	3	4	12	Engagement by Principal	2	3	6	2	3	6	On Target	TREAT - Principal & Chair of the Board to work with West Lothian and Edinburgh colleges to ensure a collaborative response lobbying for colleges to influence decision making.	Principal/Board Chair	30/04/2017
1j		Principal	3	4	12	Maintaining awareness of emerging issues in review, active engagement by Principal / Chair	2	3	6	2	3	6	On Target	TREAT - Continue engage in review, work with D&G College	Principal/Board Chair	Continuous
2	Deliver successful outcomes for all our learners - Risk Appetite - OPEN															
2a	If learners' needs are not properly articulated when considering resource planning, THEN learners may not achieve their desired outcomes.	VP F&R	3	4	12	Faculty councils, student feedback and engagement on College committees	2	3	6	2	2	4	Above Target	TREAT - Improve student engagement in resourcing decisions through user groups and committees. Ensure curriculum planning and resource planning are fully integrated.	VP F&R	31/07/2017
2b		Principal	3	4	12	CPD and staff development, staff consultation, College meetings and briefings	2	2	4	2	3	6	On Target	TREAT - Continue to influence external policy on National Bargaining and Workforce for the future. Communicate regularly with internal staff and students not participating in but are affected by strike action and work together to mitigate impact.	Principal	Continuous
2c		VP Curriculum	3	4	12	Employer engagement programme, industry groups	3	2	6	2	2	4	Above Target	TREAT - Build on relationship with newly formed DYW Industry Group and existing Employer Relationships. Promote our successes with Employers. Continue to explore a CRM system to capture all enquiries.	VP Curriculum/VP F&R	Continuous
2d		VP Q&I	3	4	12	Quality assurance, CPD and staff development, internal review, programme and block review, student feedback, faculty councils	3	3	9	2	3	6	Above Target	TREAT - Benefit from the new Education Scotland QA approach. Introduce an enhanced approach to classroom observation improving staff's reflective practice.	VP Quality & Innovation	Continuous
2e		VP Curriculum	3	4	12	Admissions procedures and interviews, programme review, learner success mentor, course tutors	2	2	4	2	2	4	On Target	TREAT - Continue to have clear entry requirements understood by those interviewing and suggest alternative provision when applicant doesn't match the course	VP Curriculum	Continuous
2f		VP Q&I	3	4	12	Outcome agreement, engagement with SFC, management, full utilisation and monitoring of SS Funds	2	2	4	1	2	3	Above Target	TREAT - Control expenditure through limiting essential course costs. Make application for additional funding through SFC redistribution.	VP Quality & Innovation	Continuous
2g	NEW	Principal	4	4	16	Staff consultation and communication	4	3	12	2	2	4	Above Target	TREAT - Continue to influence external policy on National Bargaining and Workforce for the future. Communicate regularly with internal staff and students not participating in but are affected by strike action and work together to mitigate impact.	Principal	Continuous
3	Provide a high quality College experience - Risk Appetite - MODERATE															
3a	If SFC does not provide sufficient capital maintenance funding THEN the quality of student experience will be reduced.	VP F&R	4	4	16	Outcome agreement, engagement with SFC, business cases for capital projects, resource planning	3	3	9	3	2	6	Above Target	TREAT - Create headroom in budget to allow for ongoing investment	VP F&R	31/07/2017
3b		VP Q&I	3	3	9	Curriculum planning, marketing strategy, engagement with schools and prospective learners, employers	3	2	6	2	2	4	Above Target	TREAT - Manage impact through curriculum planning. Analyse areas of loss to inform refresh of the curriculum. Coordinated planning with the schools. Adjust admissions policy.	VP Quality & Innovation	Continuous
3c		VP Q&I	3	3	9	Financial and SMT Support to SA, partnership agreement, clear BCSA development plan, feedback on engagement	3	2	6	2	2	4	Above Target	TREAT - Review reasons for lack of effectiveness. Support BCSA to make changes. Engage NUS (Scotland) and SPARQSS to provide support to SA.	VP Quality & Innovation	Continuous
3d		VP Q&I	3	3	9	Student feedback, students' association, surveys and feedback, faculty councils	3	2	6	2	2	4	Above Target	TREAT - continue with student engagement,	VP Quality & Innovation	
3e		VP Curriculum	5	3	15	Resource planning, engagement with SFC	4	3	12	4	2	8	Above Target	TOLERATE - Amend programme experience from Europe to UK	VP Curriculum	31/03/2018
4		Grow our business - Risk Appetite - CAUTIOUS														
4a	If the SFC does not fund growth in the Scottish Borders, THEN the College will not be able to create new provision to meet demand.	VP Curriculum	4	4	16	Outcome agreement, engagement with SFC, development of business cases to support growth	4	3	12	3	2	6	Above Target	TREAT - Continue to explore alternative funding streams to respond to demand. Board Chair and SMT continue to raise the profile of the college with regional stakeholders who have influence with decision makers. Continue to seek efficiency savings in order to invest in new provision. F&WDF allows for some additional activity with employers.	SMT	Continuous
4b		VP F&R	3	4	12	Employer/client engagement, work on new markets and products	3	3	9	2	2	4	Above Target	TREAT - Build on relationship with newly formed DYW Industry Group and existing Employer Relationships. Promote our successes with Employers. Continue to explore a CRM system to capture all enquiries.	VP Curriculum/VP F&R	Continuous
4c		Principal	4	3	12	Review recruitment strategy i.e. employment fairs, university graduates, starting salaries for non qualified teachers in skill shortage areas	3	2	6	2	2	4	Above Target	TREAT - Continue to promote college successes through proactive marketing and PR campaigns making us an attractive employer.	Principal/VP Q&I	Continuous
4d		VP F&R	3	4	12	Employer/client engagement, work on new markets and products	3	3	9	2	2	4	Above Target	TREAT - Widen client base to spread risk	VP F&R/Head of BDU	Continuous
5	Build sustainability - Risk Appetite - MODERATE															
5a	If SFC funding is reduced, THEN the College may be unable to invest in a sustainable ICT infrastructure to offer up-to-date learning and improve business processes.	VP F&R	4	4	16	Engagement with SFC, Outcome Agreement Process, curriculum and business planning, replacement infrastructure project 2017	3	2	6	2	2	4	Above Target	TERMINATE - Creation of sinking fund for ISLT resource	VP F&R	01/07/2018
5b		VP F&R	3	4	12	Employer/client engagement, work on new markets and products	3	3	9	2	2	4	Above Target	TREAT - Work with BDU and faculties to increase commercial engagements and wider funding opportunities.	VP F&R	Continuous
5c		VP F&R	5	5	25	Engagement with Employers' Association, resource planning	5	4	20	5	3	15	Above Target	TREAT - create financial headroom in budget to reduce impact of above inflation increases.	VP F&R/Head of F&P	31/07/2018
5d		VP Curriculum	4	4	16	Engagement with CPP, schools, employers groups, data analysis, business engagement, adult provision	3	3	9	3	3	9	On Target	TREAT - Create new provision in non-traditional subject areas, grow our HN provision and community and business courses	VP Curriculum/VP F&R	Continuous
5e		VP F&R	3	4	12	Resource Planning cycle, procurement management	3	3	9	3	2	6	Above Target	TREAT - Maximise use of efficient procurement via contracts register and collaborative frameworks, create headroom in budget	VP F&R/Head of F&P	31/07/2018
5f		VP F&R	5	4	20	Outcome agreement, engagement with SFC, curriculum and business planning	5	3	15	5	2	10	Above Target	TREAT - minimise impact of withdrawn funding by efficient resource planning. Notification of rejection of SFC claims means we have increased risk here	VP F&R	01/07/2018

Likelihood		Impact
5 Almost certain 80% +	5 Critical	Substantial effect upon the objective, thus making it extremely difficult/costly to achieve
4 Very likely 60% - 80%	4 Significant	Considerable effect on the objective, making it more difficult /costly to achieve
3 Likely 40% - 60%	3 Moderate	Evident and material effect on the objective, making it fully achievable only with some moderate additional difficulty or cost
2 Unlikely 20% - 40%	2 Minor	Small but noticeable effect on the objective, making it fully achievable but with some minor difficulty/cost
1 Very unlikely Less than 20%	1 Marginal	Peripheral effect upon the objective, impacting only in minor way upon achievement